

# **WEST VIRGINIA LEGISLATURE**

## **2016 REGULAR SESSION**

**Enrolled**

**Committee Substitute**

**for**

**Senate Bill 400**

BY SENATORS COLE (MR. PRESIDENT) AND KESSLER

(BY REQUEST OF THE EXECUTIVE)

[Passed March 8, 2016; in effect 90 days from  
passage]

1 AN ACT to amend and reenact §11-15-30 of the Code of West Virginia, 1931, as amended,  
2 relating to dedication and deposit of certain tax proceeds; reducing amount of sales tax  
3 proceeds annually dedicated to School Major Improvement Fund by \$999,996 for fiscal  
4 year 2017; amending monthly deposit requirements; specifying retroactive effect; and  
5 reducing amount of sales tax proceeds annually dedicated to School Construction Fund  
6 by \$3 million for fiscal year 2017.

*Be it enacted by the Legislature of West Virginia:*

7 That §11-15-30 of the Code of West Virginia, 1931, as amended, be amended and  
8 reenacted to read as follows:

**ARTICLE 15. CONSUMERS SALES AND SERVICE TAX.**

**§11-15-30. Proceeds of tax; appropriation of certain revenues.**

9 (a) The proceeds of the tax imposed by this article shall be deposited in the General  
10 Revenue Fund of the state except as otherwise expressly provided in this article.

11 (b) *School Major Improvement Fund.* – After the payment or commitment of the proceeds  
12 or collections of this tax for the purposes set forth in section sixteen of this article, on the first day  
13 of each month, there shall be dedicated monthly from the collections of this tax, the amount of  
14 \$416,667 and the amount dedicated shall be deposited on a monthly basis into the School Major  
15 Improvement Fund created pursuant to section six, article nine-d, chapter eighteen of this code:  
16 *Provided, That for fiscal year 2016, the amount so dedicated and deposited annually under this*  
17 *subdivision is reduced by \$2,000,004, and the amount so dedicated and deposited monthly is*  
18 *reduced to \$250,000 for fiscal year 2016. This reduction shall cease for fiscal years beginning*  
19 *after June 30, 2016: Provided, however, That for fiscal year 2017, the amount so dedicated and*  
20 *deposited annually under this subdivision is reduced by \$999,996 and the amount so dedicated*  
21 *and deposited monthly is reduced to \$333,334 for fiscal year 2017. This reduction shall cease*  
22 *for fiscal years beginning after June 30, 2017.*

23 (c) *School Construction Fund.* – After the payment or commitment of the proceeds or

collections of this tax for the purposes set forth in section sixteen of this article:

(1) On the first day of each month, there shall be dedicated monthly from the collections of this tax the amount of \$1,416,667 and the amount dedicated shall be deposited into the School Construction Fund created pursuant to section six, article nine-d, chapter eighteen of this code.

(2) Except as provided in subdivision (3) of this subsection, effective July 1, 1998, there shall be dedicated from the collections of this tax an amount equal to any annual difference that may occur between the debt service payment for the 1997 fiscal year for school improvement bonds issued under the Better School Building Amendment under the provisions of article nine-c, chapter eighteen of this code and the amount of funds required for debt service on these school improvement bonds in any current fiscal year thereafter. This annual difference shall be prorated monthly, added to the monthly deposit in subdivision (1) of this subsection and deposited into the School Construction Fund created pursuant to section six, article nine-d, chapter eighteen of this code.

(3) After June 30, 2015, the provisions of subdivisions (1) and (2) of this subsection shall have no force or effect. After June 30, 2015, there shall be dedicated from the collections of this tax the amount of \$27,216,996 annually. This amount shall be prorated monthly and deposited into the School Construction Fund created pursuant to section six, article nine-d, chapter eighteen of this code: *Provided*, That for fiscal year 2016, the amount so dedicated annually under this subdivision is reduced by \$6 million. This reduction shall cease for fiscal years beginning after June 30, 2016: *Provided, however*, That for fiscal year 2017, the amount so dedicated and deposited annually under this subdivision is reduced by \$3 million. This reduction shall cease for fiscal years beginning after June 30, 2017. Amendments to this subdivision enacted in the 2016 regular legislative session are retroactive, in accordance with dates and fiscal years specified herein.

(d) *Prepaid wireless calling service.* – The proceeds or collections of this tax from the sale of prepaid wireless service are dedicated as follows:

50           (1) The tax imposed by this article upon the sale of prepaid wireless calling service is in  
51 lieu of the wireless enhanced 911 fee imposed by section six-b, article six, chapter twenty-four of  
52 this code.

53           (2) Within thirty days following the end of each calendar month, the Tax Commissioner  
54 shall remit to the Public Service Commission the proceeds of the tax imposed by this article upon  
55 the sale of prepaid wireless calling service in the preceding month, determined as follows: For  
56 purposes of determining the amount of those monthly proceeds, the Tax Commissioner shall use  
57 an amount equal to one twelfth of the wireless enhanced 911 fees collected from prepaid wireless  
58 calling service under section six-b, article six, chapter twenty-four of this code during the period  
59 beginning on July 1, 2007, and ending on June 30, 2008. Beginning on July 1, 2009, the Tax  
60 Commissioner shall adjust this amount annually by an amount proportionate to the increase or  
61 decrease in the enhanced wireless 911 fees paid to the Public Service Commission under said  
62 section during the previous twelve months. The Public Service Commission shall receive, deposit  
63 and disburse the proceeds in the manner prescribed in said section.